



**FIRE PROTECTION DISTRICT NO. 1  
OF GRANT PARISH**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

7/22/09

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## Independent Accountant's Report

To the Board of Directors  
Fire Protection District No. 1  
of Grant Parish

I have reviewed the accompanying basic financial statements of the governmental activities and each major fund of Fire Protection District No. 1 of Grant Parish, as of and for the year ended December 31, 2008, as listed in the table of contents, in accordance with U.S. Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Fire District.

A review consists principally of inquiries of personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying basic financial statements in order for them to be in conformity with generally accepted accounting principles.

My review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the basic financial statements in order to conform with generally accepted accounting principles. The Management's discussion and analysis and budgetary comparison information listed in the accompanying table of contents are not a required part of the financial statements but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information, without audit or review. Accordingly, I do not express any opinion or any other form of assurance on the supplementary information.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report dated May 29, 2009, on the results of our agreed-upon procedures.



Paul Dauzat  
Certified Public Accountant  
May 29, 2009

# **Fire Protection District No. 1 of Grant Parish**

## **Management's Discussion And Analysis**

**December 31, 2008**

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This section of the annual financial report presents our discussion and analysis of the Fire District's financial performance during the fiscal year ended December 31, 2008, with comparable information for the previous year.

### **OVERVIEW OF FINANCIAL STATEMENTS**

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Fire District's financial position and results of operations from differing perspectives which are described as follows:

#### **Government –Wide Financial Statements**

The government-wide financial statements report information about the Fire District as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Fire District's assets and all of the Fire District's liabilities. All of the Fire District's activities are classified as governmental activities in the government-wide financial statements. The governmental activities are financed primarily by grants, fines and various fees.

#### **Fund Financial Statements**

Fund financial statements provide detailed information regarding the Fire District's most significant activities and are not intended to provide information for the Fire District as a whole. Funds are accounting devices that are used to account for specific sources of funds. All of the Fire District's funds are Governmental Funds. These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental funds use a modified accrual basis of accounting that provides a short-term view of the Fire District's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

### **FINANCIAL ANALYSIS OF THE FIRE DISTRICT AS A WHOLE**

An analysis of the government-wide Statement of Net Assets is presented as follows:

	<b><u>December</u></b> <b><u>31, 2008</u></b>	<b><u>December</u></b> <b><u>31, 2007</u></b>
<b><u>Assets:</u></b>		
Current and Other Assets	\$ 270,183	\$ 271,816
Capital assets, net	879,893	867,471
Total Assets	1,150,076	1,139,287
<b><u>Liabilities:</u></b>		
Current and Other Liabilities	39,774	38,243
Long-term Liabilities	400,000	420,000
Total Liabilities	439,774	458,243

# **Fire Protection District No. 1 of Grant Parish**

## **Management's Discussion And Analysis**

**December 31, 2008**

	<b>December 31, 2008</b>	<b>December 31, 2007</b>
<b>Net Assets:</b>		
Invested in Capital Assets, net	459,893	427,471
Restricted	76,377	69,123
Unrestricted	174,032	184,450
<b>Total Net Assets</b>	<b>\$ 710,302</b>	<b>\$ 681,044</b>

As the presentation appearing above demonstrates, the largest portion of the Fire District's net assets (64.7%) is invested in capital assets. Net assets invested in capital assets consist of land, buildings, and equipment, less any debts used to acquire the assets that remain outstanding. The Fire District uses these capital assets to provide fire protection and other services to local residents; consequently, these amounts are not available for future spending.

An additional portion of the net assets (10.8%) represent resources that are subject to restrictions that are imposed by agreements with the Fire District's bondholders or taxpayers. The remaining net assets (24.5%) are unrestricted and may be used to meet the Fire District's ongoing obligations.

An analysis of the government-wide Statement of Activities is presented as follows:

	<b>For the Year Ended</b>	
	<b>December 31, 2008</b>	<b>December 31, 2007</b>
<b>Revenues:</b>		
Program Revenue:		
Charges for Services	\$ 21,660	\$ 35,510
Operating Grants and Contributions	---	---
Capital Grants and Contributions	---	---
General Revenue:		
Property Taxes	201,961	204,080
Revenue Sharing	7,918	7,918
Gain From Disposal of Equipment	99,500	---
Other	1,497	---
<b>Total Revenue</b>	<b>332,536</b>	<b>247,508</b>
<b>Program Expenses:</b>		
Fire Protection	261,746	181,704
Building Operations	22,666	27,338
Interest on Long-Term Debt	18,866	19,281
<b>Total Program Expenses</b>	<b>303,278</b>	<b>228,323</b>
 Change in Net Assets	 29,258	 19,185
Net Assets Beginning	681,044	661,859
 Net Assets Ending	 <b>\$ 710,302</b>	 <b>\$ 681,044</b>

As the accompanying presentation demonstrates, the Fire District's operations have increased net assets by 4.3%.

# **Fire Protection District No. 1 of Grant Parish**

## **Management's Discussion And Analysis**

**December 31, 2008**

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### **FINANCIAL ANALYSIS OF THE FIRE DISTRICT'S FUNDS**

For the year ended December 31, 2008, fund balances decreased by \$3,164. The primary differences are due to differences in methods of accounting for capital assets and repayment of debt principal.

### **BUDGET HIGHLIGHTS**

State law requires the general fund to have a budget. For the year ended December 31, 2008, the original budget was not amended; however, expenditures exceeded appropriations. The unfavorable variances occurred primarily because the budget was not amended when insurance proceeds were used to acquire a new fire truck. In addition, substantial payment to a grant writer for professional services were not included in the budget.

### **CAPITAL ASSET ADMINISTRATION**

For the year ended December, 31, 2008, capital assets activity was limited to purchasing a new fire truck to replace a truck that was destroyed by flooding.

### **DEBT ADMINISTRATION**

For the year ended December 31, 2008, debt activity was limited to repaying existing obligations as required by the terms of agreements with the debt holders.

### **FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS**

At the present time, no known issues are expected to have a significant impact on future operations.

# **Fire Protection District No. 1 of Grant Parish**

## **Statement of Net Assets**

**December 31, 2008**

	Governmental Activities
<b><u>ASSETS</u></b>	
Cash and Cash Equivalents	\$ 61,787
Receivables (net)	208,396
Capital Assets - Land	12,000
Capital Assets - Depreciable	<u>867,893</u>
<b>Total Assets</b>	<u>1,150,076</u>
<b><u>LIABILITIES</u></b>	
Accounts Payable	16,650
Accrued Interest Payable	3,124
Long-term Debt	
Due Within One Year	20,000
Due in More than One Year	<u>400,000</u>
<b>Total Liabilities</b>	<u>439,774</u>
<b><u>NET ASSETS</u></b>	
Invested in capital assets, net of related debt	459,893
Restricted for:	
Debt Service	76,377
Unrestricted	<u>174,032</u>
<b>Total Net Assets (deficit)</b>	<u>\$ 710,302</u>

The accompanying notes are an integral part of this statement.  
See accountants' report.

# **Fire Protection District No. 1 of Grant Parish**

## **Statement of Activities**

**For the Year Ended December 31, 2008**

	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<u>Governmental Activities</u>					
Fire Protection	\$ 261,746	\$ -	-	-	\$ (261,746)
Building Operations	22,666	21,660	-	-	(1,006)
Interest on Long-Term Debt	18,866	-	-	-	(18,866)
Total Governmental Activities	<u>303,278</u>	<u>21,660</u>	<u>-</u>	<u>-</u>	<u>(281,618)</u>
<u>General Revenues:</u>					
Property Taxes					201,961
State Revenue Sharing					7,918
Gain From Disposal of Equipment					99,500
Other					<u>1,497</u>
Total General Revenues					<u>310,876</u>
Change in Net Assets					29,258
Net Assets - Beginning					<u>681,044</u>
Net Assets - Ending					<u>\$ 710,302</u>

The accompanying note are an integral part of this statement.  
See accountants' report.



# **Fire Protection District No. 1 of Grant Parish**

## **Balance Sheet - Governmental Funds**

**December 31, 2008**

	General	Debt Service	Total Governmental Funds
<b>Assets</b>			
Cash and Cash Equivalents	\$ 32,482	\$ 29,305	\$ 61,787
Receivables	161,772	46,624	208,396
Interfund Receivables	-	448	448
<b>Total assets</b>	<b>\$ 194,254</b>	<b>\$ 76,377</b>	<b>\$ 270,631</b>
<b>Liabilities and Fund Balance</b>			
<b>Liabilities</b>			
Accounts Payable and Accrued Expenses	\$ 16,650	\$ -	\$ 16,650
Interfund Payables	448	-	448
<b>Total liabilities</b>	<b>17,098</b>	<b>-</b>	<b>17,098</b>
<b>Fund Balance</b>			
Unreserved	177,156	76,377	253,533
<b>Total Fund Balances</b>	<b>177,156</b>	<b>76,377</b>	<b>253,533</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 194,254</b>	<b>\$ 76,377</b>	<b>\$ 270,631</b>

### **Reconciliation of the Governmental Funds Balance Sheets to the Statement of Net Assets**

Total Fund Balances - Governmental Funds	\$ 253,533
Amounts reported for governmental activities in the statement of net assets are different because:	
Long term liabilities and related accrued interest are not due and payable in the current period and therefore they are not reported in the Governmental Fund Balance Sheet	(423,124)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	879,893
Net Assets of Governmental Activities	<u>\$ 710,302</u>

The accompanying note are an integral part of this statement.  
See accountants' report.

**Fire Protection District No. 1 of Grant Parish****Statement of Revenue, Expenditures and Changes in  
Fund Balance - Governmental Funds  
For the Year Ended December 31, 2008**

	General	Debt Service	Total Governmental Funds
<b><u>Revenues:</u></b>			
Ad Valorem Taxes	\$ 155,841	\$ 46,120	\$ 201,961
State Revenue Sharing	7,918	-	7,918
Other	23,157	-	23,157
<b>Total revenues</b>	<u>186,916</u>	<u>46,120</u>	<u>233,036</u>
<b><u>Expenditures:</u></b>			
Current			
Public Safety - Fire Protection			
Insurance	23,668	-	23,668
Contract Services	13,000	-	13,000
Legal and Professional	24,673	-	24,673
Miscellaneous	17,312	-	17,312
Repairs and Maintenance	28,118	-	28,118
Supplies	37,832	-	37,832
Utilities	17,193	-	17,193
Vehicle Expenses	48,876	-	48,876
Building Operations	16,262	-	16,262
Capital Expenditures	69,900	-	69,900
Debt Service	-	38,866	38,866
<b>Total expenditures</b>	<u>296,834</u>	<u>38,866</u>	<u>335,700</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(109,918)</u>	<u>7,254</u>	<u>(102,664)</u>
<b><u>Other Financing Sources (Uses):</u></b>			
Insurance Proceeds From Disposal of Assets	99,500	-	99,500
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>(10,418)</u>	<u>7,254</u>	<u>(3,164)</u>
<b>Fund Balance - Beginning of Year</b>	<u>187,574</u>	<u>69,123</u>	<u>256,697</u>
<b>Fund Balance - End of Year</b>	<u>\$ 177,156</u>	<u>\$ 76,377</u>	<u>\$ 253,533</u>

The accompanying notes are an integral part of this statement.

See accountants' report.

**Fire Protection District No. 1 of Grant Parish**

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2008**

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Net change in fund balances of Governmental Funds \$ (3,164)

Amounts reported for governmental activities in the statement of activities are  
different because:

Repayment of bond principal is an expenditure in the governmental funds, but the  
repayment reduces long-term liabilities in the statement of net assets 20,000

Some expenses reported in the statement of activities do not require the use  
of current financial resources and therefore are not reported as  
expenditures by governmental funds. -

Governmental funds report capital outlays as expenditures. However, in the  
statement of activities the cost of those assets is allocated over estimated useful  
lives and reported as depreciation expense. This is the amount by which  
capital outlay exceeded depreciation outlay in the current period 12,422

Change in net assets of governmental activities \$ 29,258

The accompanying notes are an integral part of this statement.

See accountants' report.

# **Fire Protection District No. 1 of Grant Parish**

## **Notes to the Financial Statements**

**December 31, 2008**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Fire Protection District No. 1 of Grant Parish (the Fire District) was created to provide fire protection for portions of Grant Parish. It is governed by a Board consisting of five members and the majority of the members are appointed by the Grant Parish Police Jury. The Fire District is a component unit of the Grant Parish Police Jury, the primary governing body of the Parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the Fire District and do not present financial information on the primary government, the general government services provided by that entity, or the other governmental units that are accountable to the primary government.

The accompanying policies conform to generally accepted accounting principles for governmental units.

#### **Financial Reporting Entity**

The Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of a financial reporting entity. The basic criterion for including a potential component unit within a reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the reporting entity to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the reporting entity.
2. Organizations for which the reporting entity does not appoint a voting majority but are fiscally dependent on the reporting entity.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Fire District is a component unit of the Grant Parish Police Jury. The accompanying component unit financial statements present information only on the funds maintained by Fire Protection District No. 1 and do not present information on the police jury, the general government service provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

# **Fire Protection District No. 1 of Grant Parish**

## **Notes to the Financial Statements**

**December 31, 2008**

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### **Basic Financial Statements**

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize all of the Fire District's operations as governmental activities. Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.

The government-wide and fund financial statements present the Fire District's financial position and results of operations from differing perspectives which are described as follows:

#### **Government-Wide Financial Statements**

The Statement of Net Assets and the Statement of Activities display information about the Fire District as a whole. The effect of most interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude any fiduciary activities which are reported in the fund financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service. Program revenues include any charges for services and most grants.

#### **Fund Financial Statements**

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Major individual funds are reported as separate columns in the fund financial statements. The Fire District's major funds are described as follows:

- General Fund – This fund is the primary operating fund of the Fire District is used to account for all resources, except those required to be accounted for in other funds.
- Debt Service – This funds is used to account for proceeds from a special tax dedicated to paying principal and interest on general obligation bonds.

#### **Basis of Accounting and Measurement Focus**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

<b><u>Financial Statement Presentation</u></b>	<b><u>Basis of Accounting</u></b>	<b><u>Measurement Focus</u></b>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements	Modified Accrual Basis	Current Financial Resources

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

# **Fire Protection District No. 1 of Grant Parish**

## **Notes to the Financial Statements**

**December 31, 2008**

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Under the modified accrual basis of account and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year end. In addition, expenses are generally recorded when a liability has been incurred. Furthermore, when the current financial resources measure focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt is reported as an other financing source and repayment of long-term debt is reported as an expenditure.

### **Use of Estimates**

The preparation of financial statement in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **Budget Practices**

Budgets of the General Fund are prepared on the modified accrual basis of accounting. Unexpended appropriations of this fund lapse at the end of each fiscal year. Budgets of the General Fund and all changes and amendments to these budgets are approved by the Board of Commissioners as a whole.

### **Capital Assets**

Capital assets include significant acquisitions of equipment that are expected to remain in service for a period of years. Capital assets are reported in the government-wide financial statements but are excluded from the fund financial statements. Instead, the funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are reported at historical cost less accumulated depreciation. Depreciation is computed using the straight-line method and estimated useful lives that are based on the expected durability of the particular asset. Useful lives typically range from five to forty years.

### **Cash**

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit and highly liquid investments.

### **Internal Balances**

Internal balances arise from transactions between funds. When resources are provided without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as a source of income by the recipient and as an expense or expenditure by the provider. If repayment is eventually expected to occur, interfund receivables and payables are recorded. Internal balance are eliminated in preparing government-wide financial statements.

### **NOTE 2 - CASH**

Deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market

# **Fire Protection District No. 1 of Grant Parish**

## **Notes to the Financial Statements**

**December 31, 2008**

value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2008, deposits were fully secured by FDIC insurance coverage.

### **NOTE 3 - RECEIVABLES**

At December 31, 2008, receivables were limited to ad valorem taxes and related revenue sharing collected by other governmental units on behalf of the Fire District. These amounts are considered fully collectible and there is no allowance for doubtful accounts.

### **NOTE 4 - CAPITAL ASSETS**

A summary of the Fire District's capital assets is provided as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<u>Non Depreciable Capital Assets</u>				
Land	\$ 12,000	\$ ----	\$ ----	\$ 12,000
<u>Depreciable Capital Assets</u>				
Equipment	557,819	69,900	----	627,719
Buildings and Improvements	828,177	----	----	828,177
Accumulated Depreciation	(530,525)	(57,478)	----	(588,003)
Depreciable Capital Assets (Net)	855,471	12,422	----	867,893
Total Capital Assets	\$ 867,471	\$ 12,422	----	\$ 879,893

For the year ended December 31, 2008, depreciation expense totaled \$57,478. This total included \$51,074 reported as fire protection and \$6,404 reported as building operations.

### **NOTE 5 - INTERFUND BALANCES AND TRANSFERS**

Details related to interfund balances are presented as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
Debt Service	General	\$ 448	The general fund has collected certain taxes on behalf of the debt service fund resulting in the interfund balances.

### **NOTE 6 - RISK MANAGEMENT**

The Fire District is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters.

# **Fire Protection District No. 1 of Grant Parish**

## **Notes to the Financial Statements**

**December 31, 2008**

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The Fire District insures against these risks by participating in a public entity risk pool that operates as a common insurance program and by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

### **NOTE 7 – LONG-TERM DEBT**

Long-term debt outstanding at year end is described as follows:

General Obligation Bonds	\$ 420,000
Due Within One Year	20,000
<hr/>	
Due in More Than One Year	\$ 400,000

Long-term debt activity for the year ended December 31, 2008, is presented as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
General Obligation Bonds	\$ 440,000	\$ ----	\$ 20,000	\$ 420,000

General obligation bonds outstanding at year end consist entirely of Series 2003, issued in the original amount of \$500,000 due in annual installments ranging from \$10,000 to \$40,000 plus interest computed at a rates ranging from 0.1% to 4.9% depending on maturity dates. Installments are payable from the proceeds on a special ad valorem tax with the final installment due March 1, 2023.

These bonds are scheduled to mature as follows:

<u>Year Ended June 30<sup>th</sup></u>	<u>Principle</u>	<u>Interest</u>
2009	\$ 20,000	\$ 17,943
2010	20,000	17,292
2011	20,000	16,548
2012	25,000	15,565
2013	25,000	14,327
2014 – 2018	135,000	55,710
2019 – 2023	175,000	21,021
<hr/>		
Total	\$ 420,000	\$ 158,406



# **Fire Protection District No. 1 of Grant Parish**

## ***Notes to the Financial Statements***

***December 31, 2008***

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### **NOTE 8 – PROPERTY TAXES**

Property taxes are assessed on a calendar year basis and are due on or before December 31 in the year the tax is levied. Revenues from property taxes are recognized as revenue in the year billed. Assessments for the year ended December 31, 2008, are presented as follows:

	<u>Mills</u>
Operations and Maintenance	16.53
Debt Service	<u>5.00</u>
Total Millage	<u>21.53</u>

**Fire Protection District No. 1 of Grant Parish****Statement of Revenue, Expenditures and Changes in  
Fund Balance - General Fund Budget and Actual  
For the Year Ended December 31, 2008**

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	
<b><u>Revenues:</u></b>				
Ad Valorem Taxes	\$ 135,000	\$ 135,000	\$ 155,841	\$ 20,841
State Revenue Sharing	6,000	6,000	7,918	1,918
Fire Insurance Rebates	9,000	9,000	-	(9,000)
Other	-	-	23,157	23,157
<b>Total revenues</b>	<u>150,000</u>	<u>150,000</u>	<u>186,916</u>	<u>36,916</u>
<b><u>Expenditures:</u></b>				
Current				
Public Safety - Fire Protection	142,000	142,000	210,672	(68,672)
Building Operations	5,000	5,000	16,262	(11,262)
Capital Expenditures	25,000	25,000	69,900	(44,900)
Debt Service	<u>36,000</u>	<u>36,000</u>	<u>-</u>	<u>36,000</u>
<b>Total expenditures</b>	<u>208,000</u>	<u>208,000</u>	<u>296,834</u>	<u>(88,834)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(58,000)</u>	<u>(58,000)</u>	<u>(109,918)</u>	<u>(51,918)</u>
<b><u>Other Financing Sources (Uses):</u></b>				
Insurance Proceeds From Disposal of Assets	<u>-</u>	<u>-</u>	<u>99,500</u>	<u>99,500</u>
<b>Net Change in Fund Balances</b>	<u>(58,000)</u>	<u>(58,000)</u>	<u>(10,418)</u>	<u>47,582</u>
<b>Fund balance - beginning of year</b>	<u>62,000</u>	<u>62,000</u>	<u>187,574</u>	<u>125,574</u>
<b>Fund balance - end of year</b>	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 177,156</u>	<u>\$ 173,156</u>

***See accountants' report.***

# Paul Dauzat, CPA

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 12359  
Alexandria, LA 71315

MEMBER  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors  
Fire Protection District No. 1  
of Grant Parish

I have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Fire Protection District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Fire District's compliance with certain laws and regulations during the year ended December 31, 2008, included in the *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose>

### **PUBLIC BID LAW:**

1. Select all expenditures made during the year for material and supplies exceeding \$ 20,000, or public works exceeding \$ 100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 ( the public bid law ).

*There were no transactions meeting this scope of bid law.*

### **CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES**

2. Obtain from management a list of the immediate family members of the Board Members as defined by LSA-RS 42:1101-1124 ( code of ethics ), and a list of outside business interests of the Board Members and employees, as well as their immediate families.

*Management provided me with the required list including the information noted.*

3. Obtain from management a listing of all employees paid during the period under examination.

*Management provided me with the list.*

4. Determine whether any of those employees included in the records obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

*None of the employees included on the list of employees provided by management appeared on the reports provided by management in procedure (2).*

## **BUDGETING**

5. Obtain a copy of the legally adopted budget and all amendments.

*Management provided me with a copy of the original budget with no amendments.*

6. Trace the budget adoption and amendments to the minute book.

*Minutes of meetings reflected budget adoption.*

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceeded budgeted amounts by more than 5%.

*The District complied with this requirement.*

## **ACCOUNTING AND REPORTING**

8. Randomly select six disbursements made during the period under examination and:

(a) Trace payments to supporting documentation as to proper amount and payee.

*I examined supporting documentation and found that payment was for the proper amount and made to the correct payee.*

(b) Determine if payments were properly recorded to the correct fund and general ledger account.

*All payments selected were properly recorded to the correct fund and general ledger account.*

(c) Determine whether payments received approval from proper authorities.

*Inspection of the documentation for items selected indicated that the checks were signed by the proper official. No further approval was required.*

## **MEETINGS**

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 ( open meetings law ).

*The District is only required to post a notice of each meeting and the accompanying agenda on the door of the meeting facility. Although management has asserted that such documents were properly posted, I have no evidence supporting such assertion.*

## **DEBT**

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or like indebtedness.

*I inspected deposits for the period and noted no deposits that appeared to be such proceeds.*

## **ADVANCES AND BONUSES**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

*I inspected the records for the year and noted no instances that indicated payments to employees which would constitute bonuses, advances, or gifts.*

I was engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported.

This report is intended solely for the use of management of Fire Protection District No. 1 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



Paul Dauzat  
Certified Public Accountant  
May 29, 2009

**FIRE PROTECTION DISTRICT NO. 1**  
**SCHEDULE OF PRIOR YEAR FINDINGS**  
For The Year Ended December 31, 2008

DESCRIPTION		STATUS
<b>SECTION 11- REVIEW REPORT</b>		
No findings		
<b>SECTION 11- ATTESTATION REPORT</b>		
Finding 2007-1	Minutes of Meetings	Resolved
Finding 2007-2	Late Filing of Review Report	Resolved

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Government)**

\_\_\_\_\_ (Date Transmitted)

**Paul Dauzat, CPA**  
**1220 Windsor Place**  
**Alexandria, Louisiana 71303**

In connection with your review of our financial statements as of **December 31, 2008** and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of the dates appearing below.

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes ☒ No ☐

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☒ No ☐

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.  
Yes ☒ No ☐

### Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.  
Yes ☒ No ☐

### Debt

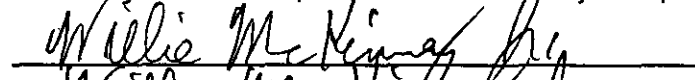
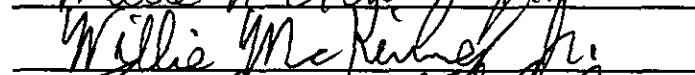
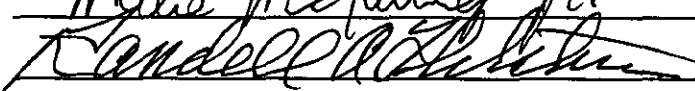
It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.  
Yes ☒ No ☐

### Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.  
Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

	Secretary	<u>5-18-09</u>	Date
	Treasurer	<u>5-18-09</u>	Date
	President	<u>5-18-09</u>	Date